

RECLAMATION

Managing Water in the West

Managing for Excellence **Concept Paper**

Functional Area: **Project Management**

Executive Sponsor

Rick Gold, Director, Upper Colorado Region

Background/Drivers

The concept of ‘Project Management’ has varied during Reclamation’s history. Before the establishment of regional offices in the 1940’s, the basic focus of Reclamation authority and activity was ‘the Project.’ Project Development and Project Construction offices planned and built project facilities. Since that time, Reclamation’s work has become less project-centric. With the agency reorganization efforts in the early 1990’s, and the sunset of the Reclamation Instructions in 1994, most of the guidance on project development has disappeared. Re-establishment of appropriate guidance and accountability will help to ensure that the project planning and construction process is consistent and has less potential for error.

Within this *Managing for Excellence* initiative, the term Project Management refers to managing a group of tasks to achieve a product within a specified time, scope, and budget. Such ‘projects’ may come in a variety of sizes and durations. There is strong agreement throughout the agency and among many of Reclamation’s stakeholders that improvement in managing these activities is needed. The most significant challenge will be providing some degree of continuity in the project management process through the phases of the planning process to construction and into operation.

In addition to concerns regarding the Project Management process, the NRC Report recommended that “Reclamation should establish a procedure and a central repository for examples of contracting approaches and templates that could be applied to the wide array of contracts in use. This repository should be continually maintained and upgraded to allow staff to access lessons learned from use of these instruments.” The action items in this functional area will address these concerns related to the processes of both Project Management and Acquisition within Reclamation.

Project Management in Reclamation

Using stakeholder input received from Reclamation’s July public meeting in Las Vegas, and from other venues, the team responsible for Action Item 20-23 has developed introductory guidance on what constitutes project management, particularly within Reclamation, and has examined Reclamation’s current practices for developing projects from inception to O&M. Draft reports regarding this information are available on Reclamation’s *Managing for Excellence* website at http://www.usbr.gov/excellence/results/DRAFT_Actions20-23_Project_Mngmt_Intro.pdf.

Interested stakeholders are encouraged to review these products and provide input regarding their accuracy and usefulness. The team will submit its report and

recommendations regarding the need for further implementation of Project Management within Reclamation in October 2006 for review and consideration by Reclamation leadership. The team will then proceed to develop an implementation plan based on the decisions of Reclamation leadership regarding the report and recommendations. This implementation plan would include Project Management training and development materials and recommendations for Reclamation Manual Policies and Directives and Standards regarding Project Management. This implementation plan will be submitted for review and consideration by Reclamation leadership in December 2006. For an outline of the objectives, tasks, and milestones for Team 20-23, please see the attached Action Item Summary. It should be noted that this and all other Action Item Summaries are subject to refinement based on input from Reclamation managers, staff, customers, and other stakeholders.

Tools for Enhancing the Acquisition Process

One of the findings of the NRC Report was that “Different Reclamation regions employ different contracting approaches and use a variety of contracting vehicles to meet their acquisition needs. These range from indefinite delivery/indefinite quantity contracts with multiple vendors to reverse auction or performance-based contracting techniques to achieve more cost-effective results. In addition, regions are employing innovative approaches for maintaining stakeholder involvement in the contracting process.” The concern is that these innovations and their resulting efficiencies may not be shared throughout the agency.

In order to facilitate this sharing of innovative practices, and provide effective acquisition tools to Reclamation managers and staff, the team responsible for Action Item 24 is developing an online resource center of acquisition and financial assistance information for use by all Reclamation employees. This will include an acquisition and financial assistance overview; roles and responsibilities; steps in the acquisition and assistance process, common acquisition and assistance scenarios; contract types; definitions; sample documents and templates. This information will help the acquisition team and its customers to achieve more effective results by providing one-stop shopping for acquisition/assistance related guidance and information. The website is expected to be formally launched in January 2007. For an outline of the objectives, tasks, and milestones for Team 20-23, please see the attached Action Item Summary.

Relationship to other Functional Areas

The outcomes of the Action Items in both the Engineering and Design Services and Asset Sustainment functional areas could have significant effects on the Project Management practiced within Reclamation in the future, and vice-versa. Alternative future scenarios being considered by the team responsible for Action Item 8 could effectively transfer some of Reclamation’s responsibilities to project

beneficiaries or future grant recipients. However, it is fully expected that maintenance of Reclamation's core capabilities under any likely future scenario will make an effective Project Management process critical to the agency's success in accomplishing its mission responsibilities.

Action Item 20

Identify and implement a project management process for all construction projects.

Action Item 21

Study the merits of developing a comprehensive and structured project management process for managing projects from inception through the planning and construction stages and into operation, and make a determination of whether such a process should be developed.

Action Item 22

If the results of the action item 21 so directs, develop a comprehensive, structured project management process and develop policies, directives and standards, and other guidance documents to assure effective implementation.

Action Item 23

Develop a training program for all personnel with project management responsibilities. This training program will incorporate existing project management tools as well as any processes developed as a result of the two action items above. It will also address decision-making, stakeholder relations, the differences between project and program management, and other topics relevant to successful project management.

Note: While these four action items appear separate in the *Managing for Excellence* Action Plan, the team will accomplish them collectively in two phases: Needs Assessment and Data Collection; and Implementation Recommendations.

Team Leaders:

Rick Ehat, Construction Manager, Animas-La Plata Project Construction Office, Upper Colorado Region

Lauren Carly, Deputy Construction Manager, Willows Construction Office, Mid-Pacific Region

Team Members

- Al Candlish, Regional Planning Officer, Mid-Pacific Region
- Dave Palumbo, Civil Engineer, Planning and Policies Group, Lower Colorado Region
- Kerry McCalman, Power Office Manager, Upper Colorado Region

Objectives

- Use internal and external stakeholder input to examine agency & industry practices.
- Consider additional improvement in construction-type project management throughout Reclamation from inception to O&M.
- If necessary, develop policies and guidance to ensure effective implementation of project management practices.

Tasks

- Examine current practices – internal and external
- Identify potential cost effective ways to implement construction-type project management from inception to O&M
- Develop implementing policies and D&S
- Develop training

Action Items 20-23 (cont.)

Milestones

- July 2006: Complete Needs Assessment and Data Collection – Phase I
- December 2006: Complete Implementation Report – Phase II

Products to be Developed

- Needs Assessment Report
- Implementation Report

Action Item 24

Establish and maintain a central repository for examples and appropriate guidance regarding procurement contracting.

Team Leader: Karla Smiley, Manager of Acquisitions & Assistance Management Division, Management Service Office

Team Members:

- Steve Schmidt, Contract Specialist, Management Service Office
- Sandy Lintz, Supervisory Contract Specialist, Management Service Office
- Ginger Peltz, Acquisition Program Analyst, Management Service Office

Objective:

- Provide one-stop shopping for acquisition/assistance related guidance and information.

Tasks:

- Develop and maintain a resource center of acquisition and financial assistance information for use by all employees.
- Clarify roles and responsibilities, steps in the process, common scenarios, contract types, definitions.
- Provide sample documents and templates.

Milestones:

- December 2006: Launch draft resource center on Reclamation website.

Products to be Developed:

- Draft resource center of acquisition and financial assistance information